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EXHIBIT 1

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13 MARICOPA COUNTY

14 STATE OF ARIZONA, ex rel. TERRY ) No. CV1996-014769  
15 GODDARD and ARIZONA HEALTH CARE )  
16 COST CONTAINMENT SYSTEM, )  
17 Plaintiffs, )  
18 v. )  
19 AMERICAN TOBACCO CO., INC.; BROWN & )  
20 WILLIAMSON TOBACCO CORP.; LIGGETT )  
21 & MYERS, INC.; LORILLARD TOBACCO )  
22 CO., INC.; PHILIP MORRIS, INC.; R.J. )  
23 REYNOLDS TOBACCO CO.; RJR NABISCO )  
24 HOLDINGS CORP.; RJR NABISCO, INC.; ) (Assigned to the Honorable Timothy  
UNITED STATES TOBACCO CO.; B.A.T. ) J. Ryan)  
INDUSTRIES,  
Defendants.

## I. MOTION TO COMPEL ARBITRATION

This matter having come before the Court by Application and Motion of the Original Participating Manufacturers to Enforce the Arbitration Provisions of the Master Settlement Agreement and Compel Arbitration as filed by Defendants Philip Morris USA Inc., R.J. Reynolds Tobacco Company, and Lorillard Tobacco Company, and by the Joinder in that Application and Motion filed by Subsequent Participating Manufacturers Liggett Group LLC, Commonwealth Brands, Inc., Compania Industrial de Tabacos Monte Paz, S.A., Daughters & Ryan, Inc., Farmers Tobacco Company of Cynthiana, Inc., House of Prince A/S, Japan Tobacco International U.S.A., Inc., King Maker Marketing, Inc., Kretek International, Inc., Liberty Brands, LLC, Peter Stokkebye Tobaksfabrik A/S, P.T. Djarum, Santa Fe Natural Tobacco Company, Inc., Sherman's 1400 Broadway N.Y.C., Inc., Top Tobacco, L.P., Vibo Corporation d/b/a General Tobacco, Virginia Carolina Corporation, Inc., and Von Eicken Group, the Court having reviewed all papers submitted by the parties and heard oral argument, and for good cause appearing,

**IT IS HEREBY ORDERED** granting the Motion in its entirety and compelling arbitration of the matter for the reasons set forth in this Court's minute entry order dated January 24, 2007.

## II. MOTION FOR ENTRY OF FINAL JUDGMENT

The Court, having considered Plaintiff State of Arizona's Combined Motion to Certify and Enter Order Compelling Arbitration as Rule 54(b) Final Judgment and For Stay of Order Compelling Arbitration, and for good cause appearing,

**IT IS HEREBY ORDERED, ADJUDGED DECREED** as follows:

1. The Court having found that there is no just reason for delay, expressly directs that this Order and Rule 54(b) Final Judgment Compelling Arbitration be entered at this time as a Final Judgment.

2. A dispute as to whether Arizona diligently enforced its Qualifying Statute throughout 2003 is stayed from proceeding to arbitration pending the resolution of any appeal by the State of Arizona of this Rule 54(b) Final Judgment Compelling Arbitration.

DATED: \_\_\_\_\_

By: \_\_\_\_\_  
Judge of the Superior Court

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Denied

Signed on this day, February 22, 2007



/S/ Timothy Ryan  
Judicial Officer of Superior Court